October 24, 2008

Minister
Department of Aboriginal and Northern Affairs
344-450 Broadway Avenue
Winnipeg, Manitoba R3C 0V8

Dear Minister:

I am pleased to provide to you the 2008 Aboriginal and Northern Affairs Capital Approval Board Report. The Board convened at the Canad Inns Fort Garry on September 23, 24, 25, 2008.

The report includes:

a) Minutes of the meeting
b) A list of recommended projects
c) A list of continuous improvement recommendations

The Board has recommended projects totaling $4,847,100.00 for delivery in 2010/2011. In addition to the project recommendations, the Board was also asked to review two previously approved budgetary shortfalls as follows: Waterhen Lagoon and the Pine Dock Waste Disposal Site which is a Manitoba Rural Infrastructure Funding (MRIF) project. The Board is also recommending that both shortfalls be addressed by utilizing unallocated funding from this Board for the Waterhen Lagoon project and that the $990,800.00 unallocated funding that was recommended for MRIF projects from the 2007 Capital Approval Board, be applied to the Pine Dock Waste Disposal Site project.

Attached for the Department's consideration are recommendations for continuous improvement of the Capital Approval Board process.

In closing, I would like thank you for the opportunity to work with the board members and departmental staff.

Sincerely

Ms. Judy Head, Chairperson
Capital Approval Board

Enc.
c. Board Members

Capital Approval Board Report

September 2008

MEMBERSHIP 2008 CAPITAL APPROVAL BOARD

Judy Head
Chairperson
P.O. Box 2532
The Pas MB R9A 1M3

Reg Meade
Northern Association of Community Councils Inc.
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Eastern Representative
Jeff Ashley, Councillor
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Alternate
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Western Representative
Alfred Morrisseau, Mayor
Crane River Community Council
General Delivery
Crane River, MB R0L 0M0

Alternate
Louie Genaille, Councillor
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Northern Representative
Dennis Buck, Councillor
Moose Lake Community Council
General Delivery
Moose Lake MB R0B 0Y0

Alternate
Nick Benyk, Mayor
Sherridon Community Council
General Delivery
Sherridon MB R0B 1L0

Departmental Representatives
Harold Smith
Director
Box 27 - 59 Elizabeth Drive
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Randy Sigurdson
Manager, Technical &
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Box 27-59 Elizabeth Drive
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Director
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Dauphin MB R7A 3E5

Capital Approval Board Report
September 2008

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Project Assessment

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Recommended Projects

Section I

Project Assessment

Category I - Legislative Requirements

Northern Region

Project	Amount		Assessment/Comments
Cormorant Extended Aeration Sewer Treatment Plant – North Side	1,500.0	20	Provide further justification (lagoon deterioration, proof of discharges not meeting parameters, what is revenue for pump outs)

North Central Region

Project	Amount		Assessment/Comments
Barrows Wastewater Lagoon Upgrade/Expansion	1,199.4	45	**Recommended**
Barrows Water Treatment Plant	2,000.0	0	Not rated. Recommend that a feasibility study to be conducted on capacity issues, raw water availability, regionalization issues
Crane River Water Treatment Plant Upgrade	3,295.0	65	**Recommended**
Spence Lake Solid Waste Disposal Facility	689.1	10	Explore cottage user contribution to capital costs

Category II - Maintaining Existing Infrastructure

Northern Region

Project	Amount		Assessment/Comments
Norway House Arena Retrofit	605.0	10	Require justification for other users; sustainability clarification
Norway House Sewage Lift Station Upgrade	297.1	40	**Recommended**
Sherridon Dock Replacement	15.8	40	**Recommended**
Sherridon Administration Building	1,129.0	15	Cost versus number of residents not feasible

Category II - Maintaining Existing Infrastructure

North Central Region

Project	Amount		Assessment/Comments
Barrows Tractor	32.0	0	Not rated. Quote not justified, figures do not add
Camperville Curb Stop - Phase II	39.8	40	**Recommended**
Dallas/Red Rose Township Line Drain	35.0	30	Require further information: boundary information, long term plan, where will water be diverted to

Category III – New Infrastructure

Northern Region

Project	Amount		Assessment/Comments
Cormorant Turner Drive – Water, Sewer, Street Construction	520.6	35	Require list of possible homeowners
Norway House Street Lighting	155.1	20	Investigate other options (Dept of Transportation, yard lights)

Category III – New Infrastructure

North Central Region

Project	Amount		Assessment/Comments
Matheson Island Community Garage	153.7	30	Not critical
Matheson Island Grader	96.2	0	Not rated. Clarification required on who will own the equipment, research leasing options, more detailed business case, Community Development Corporation

Section II

Minutes

Capital Approval Board
Minutes
September 23-25, 2008

Canad Inns Fort Garry, Winnipeg, MB

1. The meeting was called to order at 9:15am.

2. Nedra Andersen of Anokiiwin Training Institute facilitated a Board Development session.

   Board members were advised that to avoid conflict of interest issues, board members can be present for project presentation but must leave the room form the project assessment rating if the project is from their home community.

3. Board members were advised that as part of a departmental continuous improvement exercise, Andrew Forward and Chris Tyrrell, Technical and Public Works Consultants were invited to attend as observers.

4. The following resource material was reviewed with board members by departmental staff:

   - Departmental Vision and Mission were reviewed
   - Agenda
   - Capital Program Policy
     - Board Principles
     - Project Criteria
     - Building Funding Principles
     - Surplus Funding and Carry Over Funding Principles
   - Definition of Municipal Services
   - Vehicle Replacement Policy
     - Vehicle Replacement Guidelines
   - Project Assessment Form
   - Allocation of funding for 2010/2011

   Projects approved from 2009/2010 were reconfirmed.

5. The Departmental Five-Year Capital Plan was reviewed by Randy Sigurdson.

6. Board members agreed to using a sliding scale (0, 5, 10, 15) for the following questions found in the Need portion of the Project Assessment Form:

   a)Is it an emergency?
   b)Is there a legal liability?

c)Has there been a prior commitment?

7. The Board agreed that a group rating method would be followed and decisions would be determined by a consensus of the members.

8. The Board assessed all projects submitted utilizing the project assessment form. Recommendations were made based on funding available and points assessed. Based on funding available, projects scoring over 40 points were recommended for approval.

Moved by Jeff Ashley: that the following recommendations are approved by the Minister.

Funding Available	$ 5,566,000.00
Plus:	
2007 Board Unallocated MRIF (2009/10)	$ 990,800.00
Less:	
Projects Recommended	($ 4,847,100.00)
Shortfalls from previous approvals as follows:	
Pine Dock Waste Disposal Site (MRIF)	($ 800,000.00)
Waterhen Lagoon	($ 909,700.00)
	0.00

Further, that the two projects (Meadow Portage Waterline $100.0 and Norway House Water and Sewer $1,500.0) that were presented to the board that require a change to the scope or work be resubmitted to the next Board as new applications.

Seconded by Alfred Morrisseau

All in Favor

11. Once all projects were reviewed and assessed, the Board provided the following continuous improvement recommendations for the Department to consider:

a) That the project assessment form and the project application form be reviewed in order to identify critical factors in scoring projects (i.e. include context for different projects).

b) That there is more collaboration between N.A.C.C., the community and the Department on application preparation.

c) That the Department provides training to community staff related to application preparation (i.e. bring actual applications for preparation and review at a training session).

d) That project shortfalls that are being presented to subsequent boards are accompanied by justification and details for the board members to review.

e) That applications include research into all other options available.

f) That the Department considers changing board member terms to three years or provide the opportunity to members to be re-elected.

g) That applications include justification, permission and details when using neighboring community population statistics.

h) That pre-screening questions be expanded to include validation of details such as (but not limited to):

- O& M costs
- Cost estimates
- Inflation

12. The meeting was adjourned at 12:00pm on September 25, 2008.

Section III

Funding Allocation

2010/11 Allocation for Planning Purposes Only

Funding breakdown is outlined below. If all these funds are not required during the year, then these funds will be used for capital plans applying the approved criteria globally.

Total Funds Available		**7,109,300.00**
Monies are set aside as follows:		
Engineering & Design	756,000.00	
Studies	60,000.00	
Surveys/Subdivisions	95,000.00	
Infrastructure Audits	25,000.00	
Fire Equipment	100,000.00	
Capital Approval Board	22,500.00	
Manitoba Rural Infrastructure Program Meetings	10,000.00	
Water Treatment Plant Assessments	85,600.00	
Water Treatment Plant Operating License Costs	9,000.00	
Constable Vehicle Lease and Insurance	125,000.00	
Vehicle Replacement	55,200.00	
Emergencies	200,000.00	
Total	**1,543,300.00**	**(1,543,300.00)**
Total Funds Available to Commit		**$5,566,000.00**

The full year allocation is $5,566,000.00 and may be approved in any of the three categories as long as they do not go over the total yearly allocation.

Section IV

Recommended Projects

2008 Board Recommendations
2010/2011 Delivery

Category # 1	
Barrows Wastewater – Lagoon Upgrade/Expansion	1,199.4
Crane River – Water Treatment Plant and Building	3,295.0
Category # 2	
Camperville – Curb Stop Project	39.8
Norway House – Sewage Lift Station Upgrade	297.1
Sherridon – Dock Replacement	15.8
Category # 3	
	0.0
TOTAL	4,847.1